

BRAIN EXERCISE #2 - This is NOT the Law of Matter

You put a one time lump sum of \$100,000 into an investment that returns 10% every year for 20 years and you end up with ~ \$672,750.

However, in one of those 20 years you must take a loss of 10%. What year would you rather take the loss? The first? The last? A year in the middle?

Moral of the story: "Common Wisdom" has people believe that you can "make up a loss" but the TRUTH is = a loss is always a loss.

1	\$100,000.00	10.00%	\$110,000.00
2	\$110,000.00	10.00%	\$121,000.00
3	\$121,000.00	10.00%	\$133,100.00
4	\$133,100.00	10.00%	\$146,410.00
5	\$146,410.00	10.00%	\$161,051.00
6	\$161,051.00	10.00%	\$177,156.10
7	\$177,156.10	10.00%	\$194,871.71
8	\$194,871.71	10.00%	\$214,358.88
9	\$214,358.88	10.00%	\$235,794.77
10	\$235,794.77	10.00%	\$259,374.25
11	\$259,374.25	10.00%	\$285,311.67
12	\$285,311.67	10.00%	\$313,842.84
13	\$313,842.84	10.00%	\$345,227.12
14	\$345,227.12	10.00%	\$379,749.83
15	\$379,749.83	10.00%	\$417,724.82
16	\$417,724.82	10.00%	\$459,497.30
17	\$459,497.30	10.00%	\$505,447.03
18	\$505,447.03	10.00%	\$555,991.73
19	\$555,991.73	10.00%	\$611,590.90
20	\$611,590.90	10.00%	\$672,749.99